

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

> Board of Supervisors GLORIA MOLINA First District

MARK RIDLEY-THOMAS Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

March 2, 2009

To:

All Department Heads

From:

William T Fujioka

Chief Executive Officer

OFFICE SUPPLY EXPENDITURES

In our continuing effort to cut costs, the Internal Services Department (ISD) was asked to analyze commodity contract purchases, such as office supplies, where like-items could be substituted for a lower cost product.

The County's annual expenditure on office supplies exceeds \$6 million. ISD's analysis of comparable items on the County's Office Depot contract indicates the potential for a countywide savings of approximately \$469,000 annually on selected office supplies.

For example, countywide purchases of writing pens exceeded \$195,000 during calendar year 2008. These range from basic stick ballpoint pens at 5 cents each, to more expensive gel and grip pens that can cost many times that amount. By standardizing and purchasing the lowest cost pens on contract, the annual potential savings to the County would be as much as \$162,000 on this single product category.

ISD will be issuing a Purchasing Bulletin identifying the alternative product categories with instructions to each department's procurement office to ensure that the lower priced products are being purchased.

If you have any questions, please contact Tom Tindall of ISD at 323-267-2101. You may also contact Joe Sandoval of ISD Purchasing and Contract Services at (323) 267-2109 or via email at: jsandoval@isd.lacounty.gov.

WTF:TT:JS

C:

Each Supervisor Administrative Deputies

03.02.09 BM_OPS _Ofice Supply Expenditures.doc

"To Enrich Lives Through Effective And Caring Service"